

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 2**

<b>Content Standard 1.0</b>	<b>The Economic Way of Thinking: <i>Students will use fundamental economic concepts, including scarcity, choice, cost, incentives, and costs versus benefits to describe and analyze problems and opportunities, both individual and social.</i></b>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Cite an example of a <b>choice</b>, list several alternatives, and identify the best alternative to the <b>choice</b> that was made.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Cite an example of a time when a <b>choice</b> was made and describe what was given up.</li> <li>Give several accurate examples of all-or-nothing <b>choices</b>.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Cite an example of a time when a <b>choice</b> was made, but have difficulty describing what was given up.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty citing an example of a <b>choice</b>.</li> <li>Have difficulty giving examples or give inaccurate examples of all-or-nothing <b>choices</b>.</li> </ul>

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 3**

<b>Content Standard 1.0</b>	<b>The Economic Way of Thinking: <i>Students will use fundamental economic concepts, including scarcity, choice, cost, incentives, and costs versus benefits to describe and analyze problems and opportunities, both individual and social.</i></b>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Explain why <b>incentives</b> do not always work.</li> <li>Evaluate whether the <b>benefits</b> exceed the <b>costs</b>.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Categorize <b>wants</b> as <b>goods, services, and leisure activities</b>.</li> <li>Identify examples of <b>incentives</b> and categorize them as positive or negative.</li> <li>Identify the <b>benefits</b> and the <b>costs</b> of an all-or-nothing <b>choice</b>.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Identify <b>goods, services, and leisure activities</b>, but do not categorize them correctly.</li> <li>Identify examples of <b>incentives</b>, but do not categorize them correctly.</li> <li>Identify the <b>benefits</b> or the <b>costs</b> of an all-or-nothing <b>choice</b>.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty identifying <b>wants</b>.</li> <li>Have difficulty identifying <b>incentives</b>.</li> <li>Confuse <b>benefits</b> and <b>costs</b> of an all-or-nothing <b>choice</b>.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 5**

<b>Content Standard 1.0</b>	<b>The Economic Way of Thinking:</b> <i>Students will use fundamental economic concepts, including <b>scarcity</b>, <b>choice</b>, <b>cost</b>, <b>incentives</b>, and <b>costs</b> versus <b>benefits</b> to describe and analyze problems and opportunities, both individual and social.</i>
<b>EXCEEDS STANDARD</b>	<p>Meet the standard and</p> <ul style="list-style-type: none"> <li>• Give examples of situations in which <b>scarcity</b> requires a person to make a <b>choice</b> and identify <b>costs</b> associated with the decisions.</li> <li>• Give examples of situations in which people with different preferences make different decisions and offer insightful explanation of the difference in preferences.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>• Describe a situation in which <b>scarcity</b> requires a person to make a <b>choice</b>, and identify a <b>cost</b> associated with the decision.</li> <li>• Give examples of situations in which people with different preferences make different decisions.</li> <li>• Demonstrate an understanding that choosing a little more or a little less generates either a <b>benefit</b> or a <b>cost</b>.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>• Describe a situation in which <b>scarcity</b> requires a person to make a <b>choice</b> but have difficulty identifying a <b>cost</b> associated with the decision.</li> <li>• Give examples of situations in which people make different decisions but have difficulty explaining why.</li> <li>• Explain the difference between choosing a little more and making an all-or-nothing <b>choice</b>, but have difficulty explaining the <b>benefit</b> or <b>cost</b>.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>• Confuse the relationship between <b>scarcity</b> and decision making.</li> <li>• Have difficulty giving examples of situations in which people make different decisions.</li> <li>• Have difficulty explaining the difference between choosing a little more and making an all-or-nothing <b>choice</b>.</li> </ul>

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**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 8**

<b>Content Standard 1.0</b>	<b>The Economic Way of Thinking: <i>Students will use fundamental economic concepts, including scarcity, choice, cost, incentives, and costs versus benefits to describe and analyze problems and opportunities, both individual and social.</i></b>
<b>EXCEEDS STANDARD</b>	<p>Meet the standard and</p> <ul style="list-style-type: none"> <li>• Give an example of changing <b>incentives</b> to induce behavior change.</li> <li>• Give a group or class decision about consuming a particular <b>good</b> or engaging in an activity, identify the <b>costs</b> and <b>benefits</b> of consuming an additional unit, and use this information to identify the best quantity.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>• Given that a <b>choice</b> has been made among several alternatives, identify <b>opportunity cost</b> of <b>choice</b>.</li> <li>• Demonstrate an understanding that self-interest is a motivational factor when people respond to <b>incentives</b>.</li> <li>• For a particular <b>good</b> or activity, identify the <b>costs</b> and <b>benefits</b> of consuming an additional unit.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>• Identify the alternatives to a <b>choice</b>, but have difficulty prioritizing and selecting the next best one.</li> <li>• Identify examples of <b>incentives</b> from a list, but have difficulty explaining the impact on behavior.</li> <li>• Recognize <b>costs</b> and <b>benefits</b>, but have difficulty determining the additional <b>costs</b> and <b>benefits</b> from consuming one more unit.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>• Have difficulty identifying alternatives to a <b>choice</b> made.</li> <li>• Have difficulty recognizing <b>incentives</b>.</li> <li>• Confuse <b>costs</b> and <b>benefits</b>.</li> </ul>

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**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 12**

<b>Content Standard 1.0</b>	<b>The Economic Way of Thinking:</b> <i>Students will use fundamental economic concepts, including scarcity, choice, cost, incentives, and costs versus benefits to describe and analyze problems and opportunities, both individual and social.</i>
<b>EXCEEDS STANDARD</b>	<p>Meet the standard and</p> <ul style="list-style-type: none"> <li>Accurately apply the concepts of <b>marginal benefit</b> and <b>marginal cost</b> to a locally proposed change in a government program, such as a new park, a lower school budget, or a new free-way, and analyze how the program change may affect individuals, businesses, and local government.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Explain why two high school seniors in the same situation may make different decisions.</li> <li>Recognizing that people act in their own self-interest, analyze and predict how an economic change, such as a large employer moving in or out of the community will affect the <b>choices</b> made by local <b>consumers, producers</b>, and savers.</li> <li>Use the concepts of <b>marginal benefit</b> and <b>marginal cost</b> to explain the effects of a proposed change in a government program, such as a new park, a lower school budget, or a new free-way, on individuals, businesses, and local government.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Identify decisions two high school seniors may make in the same situation, but have difficulty explaining why they may differ.</li> <li>Recognizing that people act in their own self-interest, analyze and predict how an economic change, such as a large employer moving in or out of the community, will affect at least one of the following: <b>consumers, producers</b>, workers, savers, and other citizens.</li> <li>Apply with limited success the concepts of <b>marginal benefit</b> and <b>marginal cost</b> to the effects of a proposed change in a government program on individuals, businesses, and local government.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty identifying decisions two high school seniors may make in the same situation.</li> <li>Have difficulty recognizing that people act in their own self-interest.</li> <li>Confuse <b>marginal benefit</b> and <b>marginal cost</b>.</li> </ul>

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**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 3**

<b>Content Standard 2.0</b>	<b>Measuring U.S. Economic Performance:</b> <i>Students will demonstrate a knowledge of past and present U.S. economic performance, identify the economic indicators used to measure that performance, and use this knowledge to make individual decisions and discuss social issues.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Describe a situation in which the concept of <b>per capita</b> is used.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Identify and use <b>per capita</b> measures in the classroom, such as the number of pencils per student.</li> <li>Give reasons why people seek work.</li> </ul>
<b>APPROACHES STANDARD</b>	
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty explaining <b>per capita</b>.</li> <li>Have difficulty explaining why people seek work.</li> </ul>

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 5**

<b>Content Standard 2.0</b>	<b>Measuring U.S. Economic Performance:</b> <i>Students will demonstrate a knowledge of past and present U.S. economic performance, identify the economic indicators used to measure that performance, and use this knowledge to make individual decisions and discuss social issues.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Compare <b>per capita</b> measures for the United States in different time periods and draw a conclusion about changes in American life.</li> <li>Define <b>inflation</b> and <b>deflation</b>, explain how it affects individuals, and explain the relevance of income changes.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Compare <b>per capita</b> measures for the United States in different time periods.</li> <li>Define <b>inflation</b> and <b>deflation</b> and explain how they affect individuals.</li> <li>Define <b>employment</b> and <b>unemployment</b>.</li> <li>Identify and give examples of <b>interest rates</b> for <b>borrowing</b> and <b>saving</b>.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Describe <b>per capita</b> measures, but have difficulty comparing measures for different time periods.</li> <li>Define <b>inflation</b> and <b>deflation</b>, but have difficulty explaining how they affect individuals.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty describing <b>per capita</b> measures.</li> <li>Confuse <b>inflation</b> and <b>deflation</b>.</li> <li>Confuse <b>employment</b> and <b>unemployment</b>.</li> <li>Have difficulty giving examples of <b>interest rate</b>.</li> </ul>

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**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 8**

<b>Content Standard 2.0</b>	<b>Measuring U.S. Economic Performance:</b> <i>Students will demonstrate a knowledge of past and present U.S. economic performance, identify the economic indicators used to measure that performance, and use this knowledge to make individual decisions and discuss social issues.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Describe changes in U.S. <b>gross domestic product (GDP)</b> over the past 10 years.</li> <li>Compare the <b>unemployment rate</b> in the United States with <b>unemployment rates</b> in other countries.</li> <li>Compare the <b>interest rate</b> in the United States with <b>interest rates</b> in other countries.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Calculate <b>GDP per capita</b> by dividing a country's <b>GDP</b> by its population, and compare <b>GDP per capita</b> for several countries, including the United States.</li> <li>Use the <b>consumer price index (CPI)</b> to compare the buying power of the U.S. dollar in one year with its buying power in another year.</li> <li>Identify the <b>unemployment rate</b> as the percentage of people in the <b>labor force</b> who are not working.</li> <li>Given a historical graph of <b>unemployment rates</b> in the United States., determine whether the current <b>unemployment rate</b> is high or low.</li> <li>Explain why riskier loans command higher <b>interest rates</b> than safer loans.</li> <li>Given a historical graph of <b>interest rates</b> in the United States, determine whether the current <b>interest rate</b> is high or low.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Demonstrate an understanding of the <b>CPI</b>, but do not use it to compare buying power in different years.</li> <li>Identify the current <b>unemployment rate</b>, but have difficulty distinguishing whether it is a high or low rate.</li> <li>Give examples of risky loans, but have difficulty explaining why they command high <b>interest rates</b>.</li> <li>Identify the current <b>interest rate</b>, but have difficulty distinguishing whether it is a high or low rate.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty calculating <b>GDP</b>.</li> <li>Have difficulty using the <b>CPI</b>.</li> <li>Have difficulty identifying the current <b>unemployment rate</b>.</li> <li>Have difficulty demonstrating an understanding of the concept of a risky loan.</li> <li>Have difficulty identifying the current <b>interest rate</b>.</li> </ul>

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**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 12**

<b>Content Standard 2.0</b>	<b>Measuring U.S. Economic Performance:</b> <i>Students will demonstrate a knowledge of past and present U.S. economic performance, identify the economic indicators used to measure that performance, and use this knowledge to make individual decisions and discuss social issues.</i>
<b>EXCEEDS STANDARD</b>	<p>Meet the standard and</p> <ul style="list-style-type: none"> <li>Given a table showing nominal and <b>real GDP</b> over some time period, describe why an increase in <b>nominal GDP</b> may or may not represent an increase in actual production of <b>goods</b> or <b>services</b> in the economy.</li> <li>Describe how <b>real GDP per capita</b> is determined and infer how living standards have changed over time given sample historical data.</li> <li>Describe the <b>CPI</b>, how <b>inflation</b> and <b>deflation</b> are measured, and the impact of <b>inflation</b> and <b>deflation</b> on different types of individuals, <b>markets</b>, and businesses.</li> <li>Accurately infer from 5 to 10 years of <b>CPI</b> data and <b>PPI</b>, data the effects of <b>price</b> changes on three <b>consumer goods</b>, and three <b>producer-purchased goods</b>, and the implications on <b>consumers</b> and <b>producers</b>.</li> <li>Identify from historical data times when there has been high <b>unemployment</b> and explain with examples the impact on the economy as a whole in terms of lost income, lost tax revenue, and welfare burdens on the states.</li> <li>When presented with current data on <b>unemployment</b> by age, gender, race, ethnic origin, occupation, and educational attainment, hypothesize one or more reasons for differences in <b>unemployment rates</b>.</li> <li>Give historical data presented in graphic form, analyze and discuss how <b>interest costs</b> have had an impact on <b>consumer</b> and business decisions to purchase <b>goods</b> during periods of relatively high and low <b>interest rates</b>.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Explain the difference between nominal <b>GDP</b> and <b>real GDP</b>.</li> <li>Describe the meaning of <b>real GDP per capita</b> and explain how living standards have changed over time, given sample historical data.</li> <li>Identify from historical data the changes in <b>real GDP</b> over time and identify periods of high and low rates of economic growth.</li> <li>Using a <b>price index</b> such as the <b>CPI</b>, identify when the U.S. economy has experienced high and low rates of <b>inflation</b> and discuss the impact of <b>inflation</b> and <b>deflation</b> on two different groups, such as homeowners and renters.</li> <li>Accurately infer from 5 to 10 years of <b>CPI</b> data and <b>PPI</b> data the effects of <b>price</b> changes on two <b>consumer goods</b> and two <b>producer-purchased goods</b>.</li> <li>Given historical data showing high <b>unemployment</b>, describe with examples the impact on the economy as a whole in terms of lost income, lost tax revenue, and welfare burdens on the states.</li> <li>When presented with current data on <b>unemployment</b> by age, gender, race, ethnic origin, occupation, and educational attainment, compare and contrast the differences in <b>unemployment rates</b> by group.</li> <li>Explain why a <b>real interest rate</b> accurately measures the <b>benefit</b> of <b>saving</b> or the <b>cost</b> of <b>borrowing</b>.</li> <li>Given historical data presented in graphic form that show periods of high and low <b>interest rates</b>, explain how <b>interest rate</b> changes affect <b>consumer</b> and business decisions to purchase <b>goods</b> during periods of high and low <b>interest rates</b>.</li> </ul>

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<p><b>APPROACHES STANDARD</b></p>	<ul style="list-style-type: none"> <li>• Explain <b>real GDP per capita</b>, but have difficulty relating it to living standards.</li> <li>• Demonstrate limited success in identifying from historical data the changes in <b>real GDP</b> over time, as well as periods of <b>inflation</b> and <b>recession</b> and high and low rates of economic growth.</li> <li>• Describe with assistance the meaning of <b>CPI</b> and its relationship to measurement of <b>inflation</b> and <b>deflation</b>.</li> <li>• Infer with limited accuracy from 5 to 10 years of <b>CPI</b> and <b>PPI</b> data the effects of <b>price</b> changes on two <b>consumer goods</b> and two <b>producer-purchased goods</b>.</li> <li>• Given historical data showing high <b>unemployment</b>, describe some of the impact on the economy as a whole.</li> </ul>
<p><b>BELOW STANDARD</b></p>	<ul style="list-style-type: none"> <li>• Confuse <b>nominal GDP</b> and <b>real GDP</b>.</li> <li>• Have difficulty explaining <b>real GDP</b>.</li> <li>• Have difficulty interpreting a historical data table of <b>real GDP</b>.</li> <li>• Have difficulty describing the <b>CPI</b>.</li> <li>• Have difficulty explaining the relationship between indices and <b>prices</b> of <b>goods</b>.</li> <li>• Have difficulty interpreting historical data on <b>unemployment</b>.</li> <li>• When presented with current data on <b>unemployment</b> by different categories of people, have difficulty making comparisons and identifying contrasts.</li> <li>• Have difficulty explaining why a <b>real interest rate</b> accurately measures the <b>benefit</b> of <b>saving</b> or the <b>cost</b> of <b>borrowing</b>.</li> <li>• Have difficulty interpreting historical data presented in graphic form.</li> </ul>

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**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 2**

<b>Content Standard 3.0</b>	<b>Functioning of Markets:</b> <i>Students will demonstrate an understanding of how <b>markets</b> work, including an understanding of why <b>markets</b> form, how <b>supply</b> and <b>demand</b> interact to determine <b>market prices</b> and <b>interest rates</b>, and how changes in <b>prices</b> act as signals to coordinate <b>trade</b>.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Give examples of <b>monetary trade</b>.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Give examples of <b>trade</b>.</li> <li>Give examples of <b>prices</b> people have paid when buying <b>goods</b> and <b>services</b>.</li> <li>Give reasons why consumers choose to buy more of a good or service (including when its price is low) and when they choose to buy less (including when its price is high).</li> </ul>
<b>APPROACHES STANDARD</b>	
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty giving examples of <b>trade</b>.</li> <li>Have difficulty giving examples in which people pay <b>money</b> when buying <b>goods</b> and <b>services</b>.</li> <li>Have difficulty explaining the relationship between <b>prices</b> and buying decisions.</li> </ul>

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 3**

<b>Content Standard 3.0</b>	<b>Functioning of Markets:</b> <i>Students will demonstrate an understanding of how <b>markets</b> work, including an understanding of why <b>markets</b> form, how <b>supply</b> and <b>demand</b> interact to determine <b>market prices</b> and <b>interest rates</b>, and how changes in <b>prices</b> act as signals to coordinate <b>trade</b>.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Give examples of <b>barter</b> and <b>monetary trade</b>.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Differentiate between <b>barter</b> and <b>monetary trade</b>.</li> <li>Give examples of <b>prices</b> received for selling <b>goods</b> and <b>services</b>.</li> <li>Give reasons why producers choose to sell more of a good or service (including when its price is high) and when they choose to sell less (including when its price is low).</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Give examples of receiving <b>money</b> for items, but have difficulty stating the <b>price</b>.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Confuse <b>barter</b> and <b>monetary trade</b>.</li> <li>Have difficulty giving examples in which people receive <b>money</b> for items.</li> <li>Confuse the relationship between <b>prices</b> and selling decisions.</li> </ul>

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**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 5**

<b>Content Standard 3.0</b>	<b>Functioning of Markets:</b> <i>Students will demonstrate an understanding of how <b>markets</b> work, including an understanding of why <b>markets</b> form, how <b>supply</b> and <b>demand</b> interact to determine <b>market prices</b> and <b>interest rates</b>, and how changes in <b>prices</b> act as signals to coordinate <b>trade</b>.</i>
<b>EXCEEDS STANDARD</b>	<p>Meet the standard and</p> <ul style="list-style-type: none"> <li>Defend the statement, “<b>Trade</b> is always mutually beneficial,” using the logical argument that <b>trade</b> is voluntary by definition; therefore, it must be mutually beneficial.</li> <li>Use a graph to help define <b>supply</b> and <b>demand</b> in a <b>market</b> and explain the difference between the two concepts.</li> <li>Use the <b>supply</b> and <b>demand</b> graph to contrast the effects of a <b>price</b> change on the behavior of buyers and sellers.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Defend the statement, “<b>Trade</b> is always mutually beneficial,” with supporting examples.</li> <li>Demonstrate an understanding of <b>supply</b> and <b>demand</b> in a <b>market</b>.</li> <li>Contrast the effects of a <b>price</b> change on the behavior of buyers and sellers.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Give obvious examples of mutually beneficial <b>trades</b>.</li> <li>Demonstrate an understanding of <b>supply</b> or <b>demand</b> in a <b>market</b>, but not both.</li> <li>Correctly identify the effects of a <b>price</b> change on the behavior of buyers or sellers, but not both.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty giving examples of mutually beneficial <b>trades</b>.</li> <li>Confuse <b>supply</b> and <b>demand</b>.</li> <li>Confuse the effects of a <b>price</b> change on buyers and sellers.</li> </ul>

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 8**

<b>Content Standard 3.0</b>	<b>Functioning of Markets:</b> <i>Students will demonstrate an understanding of how <b>markets</b> work, including an understanding of why <b>markets</b> form, how <b>supply</b> and <b>demand</b> interact to determine <b>market prices</b> and <b>interest rates</b>, and how changes in <b>prices</b> act as signals to coordinate <b>trade</b>.</i>
<b>EXCEEDS STANDARD</b>	<p>Meet the standard and</p> <ul style="list-style-type: none"> <li>Explain how people benefit from <b>trade</b>.</li> <li>Give examples of changes in <b>supply</b> and <b>demand</b> and explain why they led to <b>price</b> changes.</li> <li>Given a <b>supply</b> and <b>demand</b> diagram, in which the <b>price</b> is not at equilibrium, identify the quantity that people want to buy and the quantity that people want to sell.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Give examples of <b>markets</b> in which people benefit from <b>trade</b>.</li> <li>Explain how <b>supply</b> and <b>demand</b> function to determine <b>market prices</b>.</li> <li>Explain why buyers <b>demand</b> less, yet sellers <b>supply</b> more when <b>prices</b> go up.</li> <li>Explain why buyers <b>demand</b> more, yet sellers <b>supply</b> less when <b>prices</b> go down.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Explain why buyers <b>demand</b> less or why sellers <b>supply</b> more when <b>prices</b> go up, but not both.</li> <li>Explain why buyers <b>demand</b> more or why sellers <b>supply</b> less when <b>prices</b> go down, but not both.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty giving an example of a <b>market</b>.</li> <li>Confuse <b>supply</b> and <b>demand</b> functions.</li> <li>Have difficulty explaining why buyers <b>demand</b> less and why sellers <b>supply</b> more when <b>prices</b> go up.</li> <li>Have difficulty explaining why buyers <b>demand</b> more and why sellers <b>supply</b> less when <b>prices</b> go down.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 12**

<b>Content Standard 3.0</b>	<b>Functioning of Markets:</b> <i>Students will demonstrate an understanding of how <b>markets</b> work, including an understanding of why <b>markets</b> form, how <b>supply</b> and <b>demand</b> interact to determine <b>market prices</b> and <b>interest rates</b>, and how changes in <b>prices</b> act as signals to coordinate <b>trade</b>.</i>
<b>EXCEEDS STANDARD</b>	<p>Meet the standard and</p> <ul style="list-style-type: none"> <li>• Explain how the satisfaction of both parties increases in a voluntary <b>trade</b> situation.</li> <li>• Explain the difference between elastic and inelastic <b>supply</b> and <b>demand</b>, and predict and analyze buyer and/or seller behavior with respect to <b>price</b> changes of products.</li> <li>• Debate the short-and long-term effects of a government-imposed <b>price</b> ceiling on one product and a <b>price</b> floor on another product, by offering illustrations of <b>price</b> floors and ceilings.</li> <li>• Given tabular or graphic data on the <b>supply</b> and <b>demand</b> for <b>money</b>, explain how <b>interest rates</b> are determined, and relate the resulting rate of <b>interest</b> to purchases of certain products.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>• Describe in own words that voluntary <b>trade</b> is beneficial to both parties in a trading situation.</li> <li>• Use the concepts of <b>supply</b> and <b>demand</b> to analyze and predict the <b>price</b> changes occurring in <b>markets</b> for <b>goods</b> and <b>services</b>.</li> <li>• Explain the meaning of elasticity of <b>supply</b> and <b>demand</b> and give at least two examples of buyer and seller behavior to illustrate the meaning.</li> <li>• Analyze the effects of a government-imposed <b>price</b> ceiling on a product or a <b>price</b> floor on another product.</li> <li>• Given tabular or graphic data on the <b>supply</b> and <b>demand</b> for <b>money</b>, explain how <b>interest rates</b> are determined.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>• Use the concepts of <b>supply</b> and <b>demand</b> to analyze changes in <b>markets</b>, but <b>price</b> change prediction is inaccurate.</li> <li>• Demonstrate an understanding of the difference between a <b>price</b> floor and a <b>price</b> ceiling, but have difficulty presenting the effects of either policy.</li> <li>• Demonstrate an understanding that the <b>price</b> of <b>money</b> is the rate of <b>interest</b>, but cannot state why.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>• Have difficulty explaining that voluntary <b>trade</b> <b>benefits</b> both parties.</li> <li>• Have difficulty using the concepts of <b>supply</b> or <b>demand</b>.</li> <li>• Confuse elasticity and inelasticity and are unclear about buyer and seller behavior.</li> <li>• Confuse a <b>price</b> floor and a <b>price</b> ceiling and have difficulty citing examples.</li> <li>• Have difficulty explaining how the rate of <b>interest</b> is determined.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 2**

<b>Content Standard 4.0</b>	<b>Private U.S. Economic Institutions:</b> <i>Students will describe the roles played by various U.S. economic institutions including financial institutions, labor unions, for-profit business organizations, and not-for-profit organizations.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Name a <b>bank</b>.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Identify reasons people use <b>banks</b>.</li> </ul>
<b>APPROACHES STANDARD</b>	
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty identifying reasons people use <b>banks</b>.</li> </ul>

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 3**

<b>Content Standard 4.0</b>	<b>Private U.S. Economic Institutions:</b> <i>Students will describe the roles played by various U.S. economic institutions including financial institutions, labor unions, for-profit business organizations, and not-for-profit organizations.</i>
<b>EXCEEDS STANDARD</b>	
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Demonstrate an understanding of key banking terms, including <b>savings, interest, and borrowing</b>.</li> <li>Identify a for-profit organization in the community and a <b>service</b> it provides.</li> <li>Identify a not-for-profit organization in the community and one <b>service</b> provided.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Demonstrate an incomplete understanding of key banking terms, including <b>savings, interest, and borrowing</b>.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Confuse key banking terms, including <b>savings, interest, and borrowing</b>.</li> <li>Have difficulty identifying a not-for-profit organization in the community.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 5**

<b>Content Standard 4.0</b>	<b>Private U.S. Economic Institutions:</b> <i>Students will describe the roles played by various U.S. economic institutions including financial institutions, <b>labor unions</b>, <b>for-profit business organizations</b>, and <b>not-for-profit organizations</b>.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Describe some of the groups <b>labor unions</b> represent.</li> <li>Identify the three common forms of business organizations and give examples.</li> <li>Identify some not-for-profit organizations, explain their purposes, and explain why they are tax-exempt.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Identify financial institutions, such as <b>banks</b>, <b>credit unions</b>, and brokerage firms.</li> <li>Provide examples of <b>labor unions</b>.</li> <li>Explain the purposes for establishing for-profit organizations.</li> <li>Explain the purposes for not-for-profit organizations.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Identify some of the common forms of business organizations.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty identifying financial institutions, such as <b>banks</b>, <b>credit unions</b>, and brokerage firms.</li> <li>Have difficulty providing examples of <b>labor unions</b>.</li> <li>Have difficulty explaining the purposes of a not-for-profit organization.</li> </ul>

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 8**

<b>Content Standard 4.0</b>	<b>Private U.S. Economic Institutions:</b> <i>Students will describe the roles played by various U.S. economic institutions including financial institutions, <b>for-profit business organizations</b>, <b>labor unions</b>, <b>corporations</b>, and <b>not-for-profit organizations</b>.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Explain the value of people pooling their savings.</li> <li>Describe a current or past <b>labor union</b> issue.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Describe <b>services</b> that financial institutions provide for their customers such as to channel funds from savers to borrowers.</li> <li>Describe <b>services</b> that <b>labor unions</b> provide for their members such as collective bargaining.</li> <li>Explain the advantages and disadvantages of each of the three primary forms of business organizations: <b>sole proprietorship</b>, <b>partnership</b>, and <b>corporation</b>.</li> <li>Explain why not-for-profit organizations are tax-exempt.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Give examples of financial institutions.</li> <li>Explain what a <b>labor union</b> is without an explanation of its purpose.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Incorrectly identify <b>services</b> provided by financial institutions.</li> <li>Incorrectly identify <b>services</b> provided by <b>labor unions</b>.</li> <li>Confuse the three forms of business organization.</li> <li>Have difficulty explaining why not-for-profit organizations are tax exempt.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 12**

<b>Content Standard 4.0</b>	<b>Private U.S. Economic Institutions:</b> <i>Students will describe the roles played by various U.S. economic institutions including financial institutions, <b>labor unions</b>, <b>for-profit business organizations</b>, and <b>not-for-profit organizations</b>.</i>
<b>EXCEEDS STANDARD</b>	<p>Meet the standard and</p> <ul style="list-style-type: none"> <li>• Contrast the <b>benefits</b> and problems that <b>labor unions</b> have brought about in the United States.</li> <li>• Describe the issues related to a current merger, buyout, or acquisition.</li> <li>• Explain how a not-for-profit organization, such as the YMCA, might put a for-profit organization, such as Gold's Gym, at a competitive disadvantage.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>• Analyze the roles of financial institutions in creating <b>credit</b>.</li> <li>• Explain how <b>labor unions</b> affect employees and employers.</li> <li>• Identify a current or a historical merger, buyout, and/or acquisition.</li> <li>• Explain how the <b>services</b> of not-for-profit organizations impact other economic institutions.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>• Describe <b>labor unions</b>.</li> <li>• Have difficulty explaining the differences between a not-for-profit organization and a for-profit organization.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>• Have difficulty explaining <b>credit</b> creation.</li> <li>• Demonstrate a lack of understanding of <b>labor unions</b>.</li> <li>• Have difficulty identifying a merger, buyout, or acquisition.</li> <li>• Confuse not-for-profit organizations and for-profit organizations.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 2**

<b>Content Standard 5.0</b>	<b>Money:</b> <i>Students demonstrate an understanding of various forms of <b>money</b>; how <b>money</b> makes it easier to <b>trade</b>, borrow, save, invest, and compare the value of <b>goods</b> and <b>services</b>; and how the Federal Reserve System and its policies affect the U.S. <b>money</b> supply.</i>
<b>EXCEEDS STANDARD</b>	
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Explain that <b>money</b> is used to purchase <b>goods</b> and <b>services</b>.</li> </ul>
<b>APPROACHES STANDARD</b>	
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty explaining that <b>money</b> is used to purchase <b>goods</b> and <b>services</b>.</li> </ul>

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 3**

<b>Content Standard 5.0</b>	<b>Money:</b> <i>Students demonstrate an understanding of various forms of <b>money</b>; how <b>money</b> makes it easier to <b>trade</b>, borrow, save, invest, and compare the value of <b>goods</b> and <b>services</b>; and how the Federal Reserve System and its policies affect the U.S. <b>money</b> supply.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Describe the advantages and disadvantages of using each of the forms of <b>money</b>.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Identify forms of <b>money</b>, including cash, checks, and debit cards.</li> </ul>
<b>APPROACHES STANDARD</b>	
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Confuse the different forms of <b>money</b>.</li> </ul>

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 5**

<b>Content Standard 5.0</b>	<b>Money:</b> <i>Students demonstrate an understanding of various forms of <b>money</b>; how <b>money</b> makes it easier to <b>trade</b>, borrow, save, invest, and compare the value of <b>goods</b> and <b>services</b>; and how the Federal Reserve System and its policies affect the U.S. <b>money</b> supply.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Articulate the advantages of a uniform currency.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Explain why it is easier for people to save and <b>trade</b> using <b>money</b> rather than using other <b>commodities</b>.</li> <li>Identify forms of <b>money</b> used in the United States prior to the twentieth century.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Illustrate that it is easier for people to save and <b>trade</b> using <b>money</b> rather than using other <b>commodities</b>.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty illustrating that it is easier for people to save and <b>trade</b> using <b>money</b> rather than using other <b>commodities</b>.</li> <li>Have difficulty identifying historical forms of <b>money</b>.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 8**

<b>Content Standard 5.0</b>	<b>Money:</b> <i>Students demonstrate an understanding of various forms of <b>money</b>; how <b>money</b> makes it easier to <b>trade</b>, borrow, save, invest, and compare the value of <b>goods</b> and <b>services</b>; and how the Federal Reserve System and its policies affect the U.S. <b>money</b> supply.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Identify historical examples of objects used as <b>money</b> and explain why they are no longer used.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Illustrate how <b>prices</b> stated in <b>money</b> terms help people compare the value of products.</li> <li>Describe the transition from the use of <b>commodities</b> as <b>money</b> to the use of modern forms of <b>money</b>.</li> </ul>
<b>APPROACHES STANDARD</b>	
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Confuse the relationship between <b>price</b> and product value.</li> <li>Have difficulty describing the transition from the use of <b>commodities</b> as <b>money</b> to the use of modern forms of <b>money</b>.</li> </ul>

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 12**

<b>Content Standard 5.0</b>	<b>Money:</b> <i>Students demonstrate an understanding of various forms of <b>money</b>; how <b>money</b> makes it easier to <b>trade</b>, borrow, save, invest, and compare the value of <b>goods</b> and <b>services</b>; and how the Federal Reserve System and its policies affect the U.S. <b>money</b> supply.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Describe the significance of the three functions of <b>money</b>.</li> <li>Explain why <b>money</b> is created when commercial <b>banks</b> lend <b>money</b> but not when other financial institutions lend <b>money</b>.</li> <li>Explain why the Federal Reserve may choose one policy instrument over another to control the <b>money</b> supply.</li> <li>Compare and contrast how and why businesses and individuals hold and spend <b>money</b>.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Explain the three functions of <b>money</b>: <b>medium of exchange</b>, <b>store of value</b>, and <b>unit of account</b>.</li> <li>Explain how the commercial <b>banking</b> system creates <b>money</b> by making loans.</li> <li>Describe the three primary policy instruments used by the Federal Reserve to control the <b>money</b> supply: <b>reserve requirement</b>, <b>discount rate</b>, and <b>open market operations</b>.</li> <li>Define <b>M1</b> and <b>M2</b>.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Identify the three functions of <b>money</b>, but does not accurately explain them.</li> <li>Demonstrate an incomplete understanding of how the commercial banking system creates <b>money</b>.</li> <li>Name the primary policy instruments used by the Federal Reserve.</li> <li>Demonstrate an understanding of the components of <b>M1</b>.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty identifying the functions of <b>money</b>.</li> <li>Demonstrate an inaccurate understanding of the role of the commercial banking system in <b>money</b> creation.</li> <li>Confuse the primary policy instruments used by the Federal Reserve.</li> <li>Have difficulty identifying components of the <b>money</b> supply.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*



**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 2**

<b>Content Standard 6.0</b>	<b>The U.S. Economy as a Whole:</b> <i>Students will demonstrate an understanding of the U.S. economic system as a whole in terms of how it allocates <b>resources</b>; determines the nation's production, income, <b>unemployment</b>, and <b>price</b> levels; and leads to variations in individual income levels.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Explain that <b>consumers</b> buy <b>goods</b> and <b>services</b> from <b>producers</b>.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Explain that <b>consumers</b> buy <b>goods</b> and <b>services</b>.</li> <li>Give examples of ways people earn <b>money</b>.</li> </ul>
<b>APPROACHES STANDARD</b>	
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty explaining the role of a <b>consumer</b>.</li> </ul>

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 3**

<b>Content Standard 6.0</b>	<b>The U.S. Economy as a Whole:</b> <i>Students will demonstrate an understanding of the U.S. economic system as a whole in terms of how it allocates <b>resources</b>; determines the nation's production, income, <b>unemployment</b>, and <b>price</b> levels; and leads to variations in individual income levels.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Demonstrate an understanding that an individual can be both a <b>consumer</b> and <b>producer</b>.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Explain that <b>producers</b> sell <b>goods</b> and <b>services</b>.</li> <li>Demonstrate an understanding of income and give examples of income.</li> <li>Compare jobs by identifying their pay and their required skills.</li> </ul>
<b>APPROACHES STANDARD</b>	
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty explaining that <b>producers</b> sell <b>goods</b> and <b>services</b>.</li> <li>Demonstrate a lack of understanding of income.</li> <li>Confuse different types of jobs.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 5**

<b>Content Standard 6.0</b>	<b>The U.S. Economy as a Whole:</b> <i>Students will demonstrate an understanding of the U.S. economic system as a whole in terms of how it allocates <b>resources</b>; determines the nation's production, income, <b>unemployment</b>, and <b>price</b> levels; and leads to variations in individual income levels.</i>
<b>EXCEEDS STANDARD</b>	<p>Meet the standard and</p> <ul style="list-style-type: none"> <li>• Explain ways households, schools, and community groups allocate these <b>resources</b>.</li> <li>• Categorize <b>resources</b>.</li> <li>• Explain how a reduction in one person's spending affects other people's income.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>• Discuss the <b>resources</b> needed for production in households, schools, and community groups.</li> <li>• Demonstrate an understanding that an individual can be both a <b>consumer</b> and a <b>producer</b>.</li> <li>• Recognize the three types of productive <b>resources</b>, natural <b>resources</b>, such as minerals, human <b>resources</b>, such as educated workers, and capital <b>resources</b>, such as machinery.</li> <li>• Illustrate how one person's spending becomes another person's income.</li> <li>• Identify factors within an individual's control that can affect the likelihood of being employed, such as work experience, education, training, and skills.</li> <li>• Describe how income reflects <b>choices</b> people make about education, training, skill development, lifestyle, and careers.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>• Identify items produced in households, schools, and community groups, but have difficulty identifying <b>resources</b> used in production.</li> <li>• Demonstrate the roles of <b>consumers</b> and <b>producers</b>, but have difficulty explaining that an individual can fill both roles.</li> <li>• Identify some types of productive <b>resources</b>, but not all.</li> <li>• Illustrate with assistance how one person's spending becomes another person's income.</li> <li>• Describe how income reflects <b>choices</b> people make about some of the following: education, training, skill development, lifestyle, and careers.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>• Have difficulty identifying <b>resources</b> used in production by households, schools, and community groups.</li> <li>• Confuse <b>consumers</b> and <b>producers</b>.</li> <li>• Have difficulty identifying productive <b>resources</b>.</li> <li>• Have difficulty explaining the relationship between one person's spending and another person's income</li> <li>• Have difficulty relating <b>employment</b> to factors within an individual's control.</li> <li>• Have difficulty describing how income reflects <b>choices</b> people make about education training, skill development, lifestyle, and careers.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 8**

<b>Content Standard 6.0</b>	<b>The U.S. Economy as a Whole:</b> <i>Students will demonstrate an understanding of the U.S. economic system as a whole in terms of how it allocates <b>resources</b>; determines the nation's production, income, <b>unemployment</b>, and <b>price</b> levels; and leads to variations in individual income levels.</i>
<b>EXCEEDS STANDARD</b>	<p>Meet the standard and</p> <ul style="list-style-type: none"> <li>• Give an example of a time when <b>consumers</b> demanded more of a product and <b>producers</b> responded by increasing output.</li> <li>• Give an example of a <b>resource</b> for which current utilization is controversial because it threatens the availability of that <b>resource</b> in the future and explain the controversy.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>• Explain ways in which households, schools, or community groups allocate <b>resources</b>.</li> <li>• Explain how <b>consumer</b> and <b>producer</b> reactions to <b>price</b> changes affect <b>resource</b> allocation.</li> <li>• Explain how the current utilization of a productive <b>resource</b> affects the availability of that <b>resource</b> in the future.</li> <li>• Explain the <b>circular flow of economic activity</b>.</li> <li>• Identify factors that can affect an individual's likelihood of being unemployed.</li> <li>• Explain that the wages individuals earn are affected by their productivity and by the <b>market</b> value of the <b>goods</b> or <b>services</b> they produce.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>• Explain the current utilization of a productive <b>resource</b>, but have difficulty explaining the connection with the availability of that <b>resource</b> in the future.</li> <li>• Provide incomplete explanation of the <b>circular flow of economic activity</b>.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>• Have difficulty explaining ways in which households, schools, or community groups allocate <b>resources</b>.</li> <li>• Confuse <b>consumer</b> and <b>producer</b> reactions to <b>price</b> changes.</li> <li>• Have difficulty explaining the current utilization of <b>resources</b>.</li> <li>• Provide inaccurate explanation of the <b>circular flow of economic activity</b>.</li> <li>• Have difficulty identifying factors that can affect an individual's likelihood of being unemployed.</li> <li>• Have difficulty explaining that the wages individuals earn are affected by their productivity and by the <b>market</b> value of the <b>goods</b> or <b>services</b> they produce.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 12**

<b>Content Standard 6.0</b>	<b>The U.S. Economy as a Whole:</b> <i>Students will demonstrate an understanding of the U.S. economic system as a whole in terms of how it allocates <b>resources</b>; determines the nation's production, income, <b>unemployment</b>, and <b>price</b> levels; and leads to variations in individual income levels.</i>
<b>EXCEEDS STANDARD</b>	<p>Meet the standard and</p> <ul style="list-style-type: none"> <li>Analyze who gains (<b>benefits</b>) and who loses (<b>costs</b>) when a product is allocated by <b>market</b> or government.</li> <li>Based on data presented, such as a change in national income as a result of a change in spending, identify the value of the <b>multiplier</b>, explain how it works, and give one reason why a <b>multiplier</b> effect actually may be less than it is in the data.</li> <li>Given a specific <b>demand</b> situation and a change (increase or decrease) in <b>demand</b>, analyze the effect on product <b>price</b> and predict possible consequences on wages paid to the worker.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Compare the <b>benefits</b> and <b>costs</b> of allocating <b>resources</b> through <b>markets</b> or government.</li> <li>Given data on the United States and another country, explain each country's potential for producing <b>goods</b> and <b>services</b> based on its natural, human, and capital <b>resources</b> and <b>technology</b>.</li> <li>Based on data presented, such as a change in national income as a result of a change in spending, identify the value of the <b>multiplier</b> and explain how it works.</li> <li>Make connections between the nation's <b>unemployment rate</b> and: changes in seasons, changes in an industry, and changes in demographics.</li> <li>Given an increase in <b>demand</b> for a product, explain the effect on product <b>price</b> and consequences for wages paid to a worker.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty determining <b>costs</b> or <b>benefits</b> of allocating <b>resources</b> through <b>markets</b> or government.</li> <li>Incompletely explains a country's productive potential.</li> <li>Based on data presented, such as a change in national income as a result of a change in spending, determine the value of the <b>multiplier</b>, but have difficulty explaining how it works.</li> <li>Make connections between the nation's <b>unemployment rate</b> and one or two of the following: changes in seasons, changes in an industry, and changes in demographics.</li> <li>Given an increase in <b>demand</b>, explain the effect on product <b>price</b>, but have difficulty explaining the consequences on wages.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty determining <b>costs</b> and <b>benefits</b> of allocating <b>resources</b> through <b>markets</b> or government.</li> <li>Inaccurately explains a country's productive potential.</li> <li>Based on data presented, such as a change in national income as a result of a change in spending, have difficulty determining the value of the <b>multiplier</b>.</li> <li>Have difficulty making connections between the nation's <b>unemployment rate</b> and any of the following: changes in seasons, changes in an industry, and changes in demographics.</li> <li>Have difficulty explaining the consequences of a change in <b>demand</b>.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 2**

<b>Content Standard 7.0</b>	<b>An Evolving Economy:</b> <i>Students will demonstrate an understanding of how <b>investment</b>, <b>entrepreneurship</b>, <b>competition</b>, and <b>specialization</b> lead to changes in an economy's structure and performance.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Demonstrate use of tools and machinery to enhance the ability to produce <b>goods</b> and <b>services</b>.</li> <li>Define an <b>invention</b> as a new process, technique, or product, give an example, and explain the history of an actual <b>invention</b>.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Give examples of tools and machinery enhancing the ability to produce <b>goods</b> and <b>services</b>.</li> <li>Give examples of <b>inventions</b>.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Give examples of tools and machinery, but do not explain their relationship to production.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty providing examples of tools and machinery.</li> <li>Have difficulty giving examples of <b>inventions</b>.</li> </ul>

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 3**

<b>Content Standard 7.0</b>	<b>An Evolving Economy:</b> <i>Students will demonstrate an understanding of how <b>investment</b>, <b>entrepreneurship</b>, <b>competition</b>, and <b>specialization</b> lead to changes in an economy's structure and performance.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Tell the story of an <b>entrepreneur</b>.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Give examples of skill training and education enhancing the ability to produce <b>goods</b> and <b>services</b>.</li> <li>List examples of <b>entrepreneurs</b>.</li> <li>Describe what it means to compete.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Cite examples, but have difficulty explaining the role of <b>competition</b> in those examples.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Confuse the relationships between skill training and education.</li> <li>Have difficulty giving examples of <b>entrepreneurs</b>.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 5**

<b>Content Standard 7.0</b>	<b>An Evolving Economy:</b> <i>Students will demonstrate an understanding of how <b>investment</b>, <b>entrepreneurship</b>, <b>competition</b>, and <b>specialization</b> lead to changes in an economy's structure and performance.</i>
<b>EXCEEDS STANDARD</b>	<p>Meet the standard and</p> <ul style="list-style-type: none"> <li>Describe the advantages and disadvantages of being an <b>entrepreneur</b>.</li> <li>Give examples of ways sellers compete on the basis of <b>price</b>, customer <b>service</b>, variety, product quality, and advertising and marketing.</li> <li>Provide examples of <b>specialization</b> increasing productivity.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Provide an example of how purchasing a tool or acquiring education can be an <b>investment</b>.</li> <li>Describe the characteristics of an <b>entrepreneur</b>, such as risk-taker, problem-solver, self-motivator, independent thinker.</li> <li>Give examples of ways sellers compete on the basis of three the following: <b>price</b>, customer <b>service</b>, variety, product quality, and advertising and marketing.</li> <li>Explain why <b>specialization</b> increases productivity and <b>interdependence</b>.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Define the term <b>investment</b>, but have difficulty explaining why purchasing a tool or machinery (or obtaining education and training), can be an <b>investment</b>.</li> <li>Define the term <b>entrepreneur</b>, but have difficulty describing the characteristics.</li> <li>Give examples of ways sellers compete on the basis of one of the following: <b>price</b>, customer <b>service</b>, variety, product quality, and advertising.</li> <li>Explain <b>specialization</b> but not its connection to productivity and <b>interdependence</b>.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty providing an example of how purchasing a tool or acquiring education can be an <b>investment</b>.</li> <li>Have difficulty defining the term <b>entrepreneur</b>.</li> <li>Have difficulty giving examples of ways sellers compete.</li> <li>Have difficulty explaining <b>specialization</b>.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 8**

<b>Content Standard 7.0</b>	<b>An Evolving Economy:</b> <i>Students will demonstrate an understanding of how <b>investment</b>, <b>entrepreneurship</b>, <b>competition</b>, and <b>specialization</b> lead to changes in an economy's structure and performance.</i>
<b>EXCEEDS STANDARD</b>	<p>Meet the standard and</p> <ul style="list-style-type: none"> <li>• Research and report on specific incidents in which <b>investments</b> have resulted in an improved standard of living.</li> <li>• Interview an <b>entrepreneur</b> and summarize the reasons for becoming one.</li> <li>• Explain how <b>competition</b> for jobs affects wages.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>• Explain how <b>investment</b> improves standards of living by increasing productivity.</li> <li>• Describe the advantages and disadvantages of being an <b>entrepreneur</b>.</li> <li>• Illustrate how <b>competition</b> among sellers decreases <b>prices</b>, while <b>competition</b> among buyers increases <b>prices</b>.</li> <li>• Give examples of how <b>specialization</b> is facilitated by <b>trade</b>.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>• Incompletely explain the relationship between <b>investment</b> and improved standard of living.</li> <li>• Describe an <b>entrepreneur</b>, but do not list advantages and disadvantages of being one.</li> <li>• Incompletely explain the relationship between <b>competition</b> and <b>prices</b>.</li> <li>• Explain that countries produce specialized <b>goods</b> and <b>services</b>, but cannot explain the role of <b>trade</b>.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>• Incorrectly explain the relationship between <b>investment</b> and standard of living.</li> <li>• Have difficulty explaining the concept of entrepreneurship.</li> <li>• Incorrectly explain the relationship between <b>competition</b> and <b>prices</b>.</li> <li>• Have difficulty explaining that countries specialize in the production of <b>goods</b> and <b>services</b>.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 12**

<b>Content Standard 7.0</b>	<b>An Evolving Economy:</b> <i>Students will demonstrate an understanding of <b>investment</b>, <b>entrepreneurship</b>, <b>competition</b>, and <b>specialization</b> lead to changes in an economy's structure and performance</i>
<b>EXCEEDS STANDARD</b>	<p>Meet the standard and</p> <ul style="list-style-type: none"> <li>Explain how current innovation, <b>investment</b>, and technological change are enhancing living standards.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Identify an <b>invention</b>, describe how businesses invested in its production, and explain how the <b>investment</b> raised living standards.</li> <li>Cite and explain specific examples of <b>physical capital</b> and <b>human capital</b>.</li> <li>Examine government's impact on <b>investment</b> through taxes, fees, government regulation, enterprise zones, and subsidies.</li> <li>After reading at least two biographies of <b>entrepreneurs</b>, explain how they affected the economy by solving problems, taking risks, and taking advantage of opportunities to earn profits.</li> <li>Identify one innovation of the past century and explain how the innovation, through self-interest of the innovator, helped the economy promote national well-being.</li> <li>Identify examples of business <b>specialization</b> and <b>interdependence</b> in the local community and list the pros and cons of <b>specialization</b> and <b>interdependence</b> in each example.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Examine government's impact on <b>investment</b> through some of the following: taxes, fees, government regulation, enterprise zones, and subsidies.</li> <li>After reading at least two biographies of <b>entrepreneurs</b>, summarize them, but have difficulty explaining how they affected the economy.</li> <li>Identify an example of business <b>specialization</b> and <b>interdependence</b>, but have difficulty listing pros and cons of <b>specialization</b> and <b>interdependence</b> in each example.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Identify an <b>invention</b> in the first half of the Twentieth Century, but have difficulty demonstrating an understanding of the relationship between <b>investment</b> and improved living standards.</li> <li>Confuse physical and <b>human capital</b>.</li> <li>Have difficulty examining government impact on <b>incentives</b> and disincentives of <b>investment</b>.</li> <li>Have difficulty summarizing the biographies of <b>entrepreneurs</b>.</li> <li>Have difficulty explaining the relationships among innovation, self-interest, and economic well-being.</li> <li>Demonstrate a lack of understanding of the concept of <b>specialization</b>.</li> </ul>

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**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 8**

<b>Content Standard 8.0</b>	<b>The Role of Government in a Market Economy:</b> <i>Students will explain the role of government in a <b>market</b> economy.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>• Explain why government decides to provide <b>goods</b> and <b>services</b>.</li> <li>• Identify a government program that redistributes income and discuss the pros and cons of this policy.</li> <li>• Explain why government protection of property is important if <b>markets</b> are to function.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>• Give examples of the kinds of <b>goods</b> and <b>services</b> that government provides.</li> <li>• Give examples of activities that benefit participants, yet harm nonparticipants.</li> <li>• Identify methods by which government redistributes income.</li> <li>• Give examples of ways government protects property.</li> </ul>
<b>APPROACHES STANDARD</b>	
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>• Have difficulty giving examples of the kinds of <b>goods</b> and <b>services</b> that government provides.</li> <li>• Have difficulty giving examples of activities that benefit participants, yet harm nonparticipants.</li> <li>• Have difficulty identifying methods by which government redistributes income.</li> <li>• Have difficulty giving examples of ways government protects property.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 12**

<b>Content Standard 8.0</b>	<b>The Role of Government in a Market Economy:</b> <i>Students will explain the role of government in a <b>market</b> economy.</i>
<b>EXCEEDS STANDARD</b>	<p>Meet the standard and</p> <ul style="list-style-type: none"> <li>Identify a <b>public good</b> and the <b>costs</b> and <b>benefits</b> to the taxpayer of that <b>public good</b>.</li> <li>Identify a current issue involving an <b>externality</b> and analyze the pros and cons of proposed government actions.</li> <li>Identify a current issue involving redistributing income and debate the pros and cons of proposed government actions.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Explain why government provides <b>public goods</b> rather than allowing the <b>market</b> to provide them.</li> <li>Explain why government intervenes in <b>markets</b> in response to <b>externalities</b>.</li> <li>Discuss whether redistributing income is an appropriate role of government.</li> <li>Explain that government must define, establish, and enforce <b>property rights</b> in order for <b>markets</b> to function.</li> <li>Explain why it is possible for a government decision to impose <b>costs</b> on many, but only <b>benefit</b> a few.</li> <li>Explain how <b>fiscal policy</b> affects production, <b>employment</b>, and <b>price</b> levels.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Explain what a <b>public good</b> is, but have difficulty explaining its relationship to government action.</li> <li>Explain what an <b>externality</b> is, but have difficulty explaining its relationship to government action.</li> <li>Explain what redistributing income means, but have difficulty explaining its relationship to government action.</li> <li>Explain what <b>property rights</b> are, but have difficulty explaining their relationship to government action.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty explaining the nature of a <b>public good</b>.</li> <li>Have difficulty explaining the nature of an <b>externality</b>.</li> <li>Have difficulty explaining the nature of redistributing income.</li> <li>Have difficulty explaining the nature of <b>property rights</b>.</li> <li>Have difficulty explaining why it is possible for a government decision to impose <b>costs</b> on many, but only benefit a few.</li> <li>Have difficulty explaining the nature of <b>fiscal policy</b>.</li> </ul>

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**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 3**

<b>Content Standard 9.0</b>	<b>The International Economy:</b> <i>Students explore the characteristics of non-U.S. economic systems in order to demonstrate an understanding of how they are connected, through <b>trade</b>, to peoples and cultures throughout the world.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Explain why <b>imports</b> and <b>exports</b> benefit the United States.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Give examples of <b>goods</b> the United States <b>imports</b> and <b>exports</b>.</li> <li>Identify the countries of origin of commonly used products.</li> <li>Identify the currencies of other countries.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Give examples of <b>goods</b> the United States <b>imports</b> or <b>exports</b>.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Confuse <b>import</b> and <b>export</b> examples.</li> <li>Have difficulty identifying the countries of origin of commonly used products.</li> <li>Have difficulty identifying the currencies of other countries.</li> </ul>

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 5**

<b>Content Standard 9.0</b>	<b>The International Economy:</b> <i>Students explore the characteristics of non-U.S. economic systems in order to demonstrate an understanding of how they are connected, through <b>trade</b>, to peoples and cultures throughout the world.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Explain how <b>imports</b> and <b>exports</b> benefit the United States <b>consumer</b>.</li> <li>Identify some products for which the United States depends on other countries</li> <li>Explain how changes in <b>exchange rates</b> affect <b>import prices</b>.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Explain why the United States <b>imports</b> and <b>exports goods</b>.</li> <li>Describe how the exchange of <b>goods</b> and <b>services</b> around the world creates <b>interdependence</b> among people in different places, such as the production of a candy bar requires ingredients from many countries around the world).</li> <li>Give the value of the U.S. dollar in terms of the currencies of other countries.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Explain what <b>imports</b> and <b>exports</b> are, but have difficulty explaining why the United States <b>imports</b> and <b>exports goods</b>.</li> <li>Demonstrate an understanding of <b>interdependence</b>, but have difficulty explaining it in the context of exchange.</li> <li>Give the value of the U.S. dollar in terms of the currency of one country.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty explaining why the United States <b>imports</b> and <b>exports goods</b>.</li> <li>Have difficulty describing how the exchange of <b>goods</b> and <b>services</b> around the world creates <b>interdependence</b> among people in different places.</li> <li>Have difficulty giving the value of the U.S. dollar in terms of the currencies of other countries.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 8**

<b>Content Standard 9.0</b>	<b>The International Economy:</b> <i>Students explore the characteristics of non-U.S. economic systems in order to demonstrate an understanding of how they are connected, through <b>trade</b>, to peoples and cultures throughout the world.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Explain how a <b>tariff</b> or <b>quota</b> on a specific product may restrict <b>trade</b> and affects <b>consumers</b>.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Explain how governments use <b>tariffs</b> or <b>quotas</b> to restrict <b>trade</b>.</li> <li>Describe how economic <b>interdependence</b> among countries affects standards of living in those countries.</li> <li>Compute <b>prices</b> of U.S. products in terms of other countries' currencies.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Describe economic <b>interdependence</b>, but have difficulty relating it to standards of living.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Have difficulty explaining how <b>tariffs</b> or <b>quotas</b> restrict <b>trade</b>.</li> <li>Have difficulty explaining economic <b>interdependence</b>.</li> <li>Inaccurately compute <b>prices</b> of U.S. products in terms of other countries' currencies.</li> </ul>

**Social Studies Performance Level Descriptors**  
**Economics**  
**Grade 12**

<b>Content Standard 9.0</b>	<b>The International Economy:</b> <i>Students explore the characteristics of non-U.S. economic systems in order to demonstrate an understanding of how they are connected, through <b>trade</b>, to peoples and cultures throughout the world.</i>
<b>EXCEEDS STANDARD</b>	Meet the standard and <ul style="list-style-type: none"> <li>Given a situation, such as U.S. <b>free trade</b> with Taiwan or Mexico, debate what groups in the United States and the other country will be helped, and what groups will be hurt, if the United States pursues a <b>free trade</b> policy.</li> </ul>
<b>MEETS STANDARD</b>	<ul style="list-style-type: none"> <li>Given a situation, such as U.S. <b>free trade</b> with Taiwan or Mexico, analyze what groups in the United States and the other country will be helped, and what groups will be hurt, if the United States pursues a <b>free trade</b> policy.</li> <li>Identify an economic event in a foreign country and predict the impact the event will have on the U.S. economy.</li> <li>Construct an economic profile of a foreign country and explain how the characteristics of the country affect its economic performance and international <b>trade</b>.</li> <li>Analyze an <b>exchange rate</b> table from two or more time periods and determine the impact of changes in <b>exchange rates</b> on the <b>prices</b> of products <b>imported</b> from a country and <b>exported</b> to a country.</li> </ul>
<b>APPROACHES STANDARD</b>	<ul style="list-style-type: none"> <li>Given a situation, such as U.S. <b>free trade</b> with Taiwan or Mexico, identify some of the pros and cons of <b>free trade</b>, but have difficulty analyzing them.</li> <li>Can identify an economic event in a country, but cannot determine the impact on the U.S. economy.</li> <li>Construct an incomplete economic profile of a foreign country, but have difficulty showing how a country's characteristics affect international <b>trade</b>.</li> <li>Have difficulty using an <b>exchange rate</b> table to determine the impact of changes in the <b>exchange rate</b>.</li> </ul>
<b>BELOW STANDARD</b>	<ul style="list-style-type: none"> <li>Given a situation, such as U.S. <b>free trade</b> with Taiwan or Mexico, have difficulty identifying any pros and cons of <b>free trade</b>.</li> <li>Have difficulty identifying an economic event in a foreign country.</li> <li>Have difficulty constructing an economic profile of a foreign country.</li> <li>Have difficulty using an <b>exchange rate</b> table.</li> </ul>

*A glossary of key economic terms is provided for all highlighted words.*